

Steering Committee Meeting

Meeting Minutes

June 14th, 2006

Members Present: Governor Gregoire, Victor Moore, Eric Liu, Glenn Anderson, Dr. Terry Bergeson, Charley Bingham, Amy Bragdon, Denny Heck, Rosemary McAuliffe, Dave Schmidt and Bob Watt.

Acting Chair Victor Moore convened the meeting of the Washington Learns Steering Committee at 9:00 am on June 14th, 2006.

As the first order of business, Victor Moore made a motion to approve meeting minutes from the May 15th, Steering Committee meeting. The minutes were unanimously adopted by the Steering Committee.

Paul Sommers of NORED presented an overview of current scholarly literature regarding the return on investment in education. His presentation was entitled "Rate of Return to Education Investments: Economic and Social." His presentation, along with others presented at the meeting, are available at www.washingtonlearns.gov. Mr. Sommers noted that the rate of return on education has increased over the last two decades. Studies show that the rate of return to the individual is significantly higher for those with a BA in comparison to those that do not have a BA. Studies also show a significant rate of return for two and four-year degree holders and for recipients of programs to provide training and education to dislocated workers. Further studies point to a "tipping point" for those who complete at least a year of college courses. Studies also show a high return on higher education due to "spillover" or externality effect. Dr. Sommers concluded that his literature review shows a considerable degree of evidence that education investments result in high returns both for the individual and for the public.

Bill Beyers, University of Washington, provided a peer review of Dr. Sommers report. He also emphasized that Washington produces fewer BA's compared to most other states, which means that many state residents earn less because they lack access to higher education.

Richards Sims, President, Sierra Institute on Applied Economics, gave a presentation entitled "Creating A Course for Washington's Economic Future." He analyzed Washington's tax structure, calling it the most regressive in the nation. He also highlighted the economic return in state spending on education emphasizing that investment in education results in a net increase in jobs.

Theo Eicher, University of Washington, gave a presentation entitled "The Social and External Benefits of Education". Dr. Eicher examined the rate of social return,

highlighting the associative rather than causal effects. His conclusion was that priority investments should be focused on plugging leaks in the educational pipeline.

Kriss Sjoblom, Washington Research Council, presented a report entitled the "Economic Value of Education", co-authored with the Washington Roundtable, exploring the connection between educational attainment and individual earnings.

Rob Gruenwald, Associate Economist, Federal Reserve Bank of Minneapolis, presented a report entitled "Early Childhood Development: Economic Investment with a high rate of return that he co-authored with Art Rolnick. The research shows exceptional rates of return for investment in early childhood education.

Finally, Kevin Hollenbeck, Upjohn Institute, presented a report entitled "Net Impact and Cost Benefit Analysis of Washington State's Workforce Development Systems". His report also documented significant investment returns, both for the public and the individual, for investments in apprenticeship programs and workforce training.

Governor Gregoire highlighted recent legislative investments in education, totaling about \$900 million, suggesting that we need to continually reevaluate data in light of those investments.

Cindy Zehnder, President of TVW, moderated a panel composed of the economists who had presented individually in the morning session. They explored where the "first dollar" should be invested given the many potential educational investments that had been discussed, and how to increase efficiencies in the current systems.

Cindy asked each panelist to comment on what others had said during the morning presentations. Many of the economists pointed to Rob Gruenwald's research on the exceptional rate of return on early learning as particularly noteworthy.

The final question explored the short term vs. long -term return on education investment. Kris commented on the importance of making some initial investments (workforce) and some long-term investments. A good initial investment is to try to get individuals that have dropped out of college, back into the education system. Also teacher quality is hugely important for learning outcomes as measured by outcomes. Richard emphasized the idea of looking at education system (funding and spending) very rationally and from a portfolio investment standpoint.

The audience then broke into groups to discuss and report back on how to spend the 1st dollar of public investment in education.

Public comment followed.

- A male infant care giver (name?) shared that he was impressed and encouraged by recent efforts for young children, but that we are still falling short of our responsibility as we do not have a comprehensive system for our younger learners.
- Suzi Wright spoke about the importance of a government-to-government relationship with the tribes. She specifically highlighted the memorandum of agreement with three state agencies on the teaching of history and culture of Washington. Tribal leaders will meet again on August 27th. Ms. Wright cautioned the committee on using the current assessments to label tribal children deficient.
- Pamela Sullivan mentioned a proposal to restructure 12th grade that has national consideration. President of Bard College also considering.
- Leona Dater, Spokane, advised the committee to have the courage to address funding, mentioning GCERF.
- Kent Hibeck, who has 40 years of involvement in Head Start and K-12 programs, commented that the committee should deal with the non-cognitive area of child development.
- Karen Ford, Parent educator, reminded the committee that the Organization for Parent Education Programs at Community and Technical Colleges are a resource for program implementation.

Ann Daley provided an update on the next meeting of the Steering Committee on July 10th. The next Advisory Committee meetings, on June 28, signal the beginning of the decision making phase.

The meeting adjourned at 3:00 p.m.